

HERITAGE COMMERCE CORP

	CPP Disbursement Date 11/21/2008	RSSD (Holding Company) 2634874	Number of Insured Depository Institutions 1		
Selected balance and off-balance sheet items	2009 \$ millions	2010 \$ millions	%chg from prev		
Assets	\$1,361	\$1,243	-8.7%		
Loans	\$1,081	\$857	-20.7%		
Construction & development	\$189	\$68	-64.0%		
Closed-end 1-4 family residential	\$20	\$24	16.8%		
Home equity	\$58	\$55	-4.9%		
Credit card	\$0	\$0			
Other consumer	\$1	\$2	132.8%		
Commercial & Industrial	\$349	\$306	-12.3%		
Commercial real estate	\$437	\$374	-14.4%		
Unused commitments	\$312	\$263	-15.6%		
Securitization outstanding principal	\$0	\$0			
Mortgage-backed securities (GSE and private issue)	\$108	\$232	115.0%		
Asset-backed securities	\$0	\$0			
Other securities	\$2	\$0	-100.0%		
Cash & balances due	\$45	\$72	58.8%		
Residential mortgage originations					
Closed-end mortgage originated for sale (quarter)	\$0	\$0			
Open-end HELOC originated for sale (quarter)	\$0	\$0			
Closed-end mortgage originations sold (quarter)	\$0	\$0			
Open-end HELOC originations sold (quarter)	\$0	\$0			
Liabilities	\$1,172	\$1,068	-8.9%		
Deposits	\$1,095	\$1,027	-6.2%		
Total other borrowings	\$45	\$7	-83.5%		
FHLB advances	\$20	\$0	-100.0%		
Equity					
Equity capital at quarter end	\$189	\$175	-7.6%		
Stock sales and transactions with parent holding company (cumulative through calendar year)	\$6	\$40	NA		
Performance Ratios					
Tier 1 leverage ratio	9.9%	12.1%	--		
Tier 1 risk based capital ratio	11.4%	16.8%	--		
Total risk based capital ratio	12.7%	18.1%	--		
Return on equity ¹	0.0%	6.1%	--		
Return on assets ¹	0.0%	0.8%	--		
Net interest margin ¹	4.0%	4.0%	--		
Coverage ratio {(ALLL+Alloc transfer risk)/Noncurrent loans}}	46.1%	81.7%	--		
Loss provision to net charge-offs (qtr)	96.5%	92.4%	--		
Net charge-offs to average loans and leases ¹	2.2%	0.5%	--		
¹ Quarterly, annualized.					
	Noncurrent Loans		Gross Charge-Offs		
Asset Quality (% of Total Loan Type)	2009	2010	2009	2010	
Construction & development	19.0%	14.6%	0.6%	0.3%	--
Closed-end 1-4 family residential	0.8%	0.4%	0.0%	0.0%	--
Home equity	0.5%	3.6%	0.0%	0.5%	--
Credit card	0.0%	0.0%	0.0%	0.0%	--
Other consumer	9.6%	35.9%	0.0%	0.0%	--
Commercial & Industrial	4.4%	2.4%	1.5%	0.4%	--
Commercial real estate	2.2%	2.7%	0.0%	0.1%	--
Total loans	5.8%	3.6%	0.6%	0.2%	--